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Hearing Date and Time:

January 20, 2022 at 2:00 p.m.
**Related to Docs. 10154, 10155,
10160**

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Sears Holdings Corporation, *et al.*,

Debtors.

Case No. 18-23538 (RDD)

Chapter 11

(Jointly Administered)

**OBJECTION BY ORIENT CRAFT LIMITED TO
INTERIM APPLICATIONS FOR COMPENSATION BY
(1) AKIN GUMP HAUER & FIELD LLP [Doc. 10154]; (2)
FTI CONSULTING INC. [Doc. 10155]; AND (3) WEIL,
GOTSHAL & MANGES LLP [Doc. 10160]**

TO THE HONORABLE ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY JUDGE:

1. Orient Craft Limited (“**Orient Craft**”) objects to the Interim Applications for Compensation by (1) Akin Gump Hauer & Feld LLP (“**Akin**”) [Doc. 10154]; (2) FTI Consulting Inc. [Doc. 10155] (“**FTI**”); and (3) Weil Gotshal & Manges LLP [Doc. 10160] (“**Weil**”).

The Interim Applications

2. Akin is requesting a total of \$1,127,201.21 in compensation and expenses for the period between July 1, 2021 and October 31, 2021.

3. FTI is requesting a total of \$266,139 in compensation and expenses for the period between July 1, 2021 and October 31, 2021.

4. Weil is requesting a total of \$2,666,879.59 in compensation and expenses for the period between July 1, 2021 and October 31, 2021.

The Confirmed Plan

5. On October 15, 2019, the Court confirmed the Debtors' Modified Second Amended Joint Chapter 11 Plan (the "**Plan**").

6. The Plan was confirmed based upon the Debtors' testimony that recoveries from preferential transfer claims would enable the Plan to become effective within approximately six months. However, it appears that such testimony was false and misleading. *See* Doc. 9469 (motion by Debtors dated May 5, 2021 to amend the terms of engagement of the firms who were retained to prosecute preference actions for the Debtors estates).

7. More than two years have now passed without the Plan becoming effective and there is no date in the future by which time the Plan is projected to become effective. Moreover, it seems to be acknowledged that recoveries from preferential transfer claims will be insufficient to provide the necessary funds for the Plan to become effective. Meanwhile, the professionals responsible for the Plan continue to be paid 100% of their requested fees.

Objection to Further Payment of Fees

8. Based upon the results in this case and the issues surrounding the confirmed Plan, Orient Craft objects to the continued payment of fees to Weil, Akin, and FTI. Notably, the professionals in this case have already received approximately \$250,000,000 in fees, with approximately \$150,000,000 going to these three firms.

9. While a quarter of a billion dollars has been paid to professionals, to date, Orient Craft has received no payment on account of its undisputed administrative claim.

10. Accordingly, Orient Craft submits that the additional \$4 million in fees and expenses being charged to the Debtors' estates by these firms should be accrued and not paid until the Plan becomes effective, or such other time that Orient Craft receives payment on account of its undisputed administrative claim.

11. Orient Craft, as an "opt-out" administrative creditor, should not bear the brunt of the Plan's failure to become effective.

Dated: New York, New York
January 3, 2022
January 3, 2022

TARTER KRINSKY & DROGIN LLP

By: /s/ David H. Wander

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